

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2009-497-E - ORDER NO. 2009-907  
DECEMBER 29, 2009

IN RE: Petition of South Carolina Electric & Gas	)	ORDER AUTHORIZING
Company for an Accounting Order (Barnwell	)	ACCOUNTING
County)	)	TREATMENT FOR
	)	BARNWELL COUNTY
	)	ECONOMIC
	)	DEVELOPMENT GRANT

This matter comes before the Public Service Commission of South Carolina (“Commission”) on a Petition from South Carolina Electric & Gas Company (“SCE&G” or the “Company”) seeking an accounting order to defer and record a \$1 million dollar grant made to Barnwell County as a regulatory asset. The purpose of the grant was for community/economic development, which Barnwell County used to attract Crane Co. to relocate, consolidate, and merge with its subsidiary Dixie-Narco, Inc. (“Dixie-Narco”) in Williston, South Carolina. In addition, SCE&G requests that the \$1 million dollar deferral amount be amortized to electric operating expenses over the ten year term of an electric contract with Dixie-Narco<sup>1</sup> in equal monthly amounts effective October 1, 2009.

According to the Company, the SCE&G grant was pivotal in inducing Crane Co. to consolidate its North American vending operations with the Dixie-Narco facility, which will preserve approximately 500 existing jobs in South Carolina and potentially create 1,000 new jobs over the next five years. In addition, SCE&G informs the Commission that Crane Co. intends to invest substantially over time to increase its

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<sup>1</sup> Approved in Docket No. 2009-482-E.

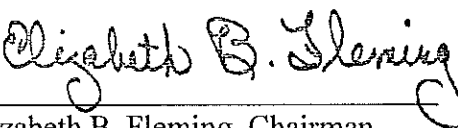
Williston operations, benefitting the residents of Barnwell County and increasing demand for electricity by approximately 3,200 kilowatts. Lastly, SCE&G states that deferring and recording the grant as a regulatory asset will not involve a change to any of its current rates or prices and will not affect the right of any party to address this issue in a subsequent general rate case proceeding.

The Office of Regulatory Staff has reviewed the proposal and states that it has no objection.


For the above reasons, we find that the accounting order to defer and record a \$1 million dollar grant made to Barnwell County as a regulatory asset is in the public interest, and it is therefore approved. As a result, the deferral amount will be amortized to electric operating expenses over the ten year term of the Dixie-Narco contract, approved in Docket No. 2009-482-E, in equal monthly amounts effective October 1, 2009.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

  
Elizabeth B. Fleming, Chairman

ATTEST:

  
John E. Howard, Vice Chairman  
(SEAL)